

(Task #6151)

Bond Release Findings

Mine Name: TME Asphalt Ridge Mine
Operator: Temple Mountain Energy Inc.
c/o Messerli & Kramer
100 S. Fifth Street Ste. 1400
Minneapolis, MN 55401-1217

I.D. No.: M/47/0089
Mineral Ownership: Fee/SITLA
Surface Ownership: Fee/SITLA*
Permit Term: 2006

Disturbed Area: 22 Acres
Regraded: none
Reseeded: none

Acres Bonded: 192
Acres Proposed for Partial Release: 170
Acres Released: n/a
Acres Remaining: n/a

Surety

Amount: \$1,151,713.00
Form: Letter of Credit – US Bank
Amount Proposed for Release: \$876,713.00
Amount Recommended for Release: \$876,713.00
Amount Remaining: \$275,000

Setting and Premining Environment

The site is located in T5S R22E approximately 8 miles southwest of Vernal City in Uintah County, Utah. The site prior to mining was undeveloped land along Asphalt Ridge just off Highway 45. The initial mining plan was for a 192-acre tar sands mining operation. The disturbance area is situated on private land. A small area of SITLA land exists to the south and west that was part of the original permit, but mining did not expand onto the SITLA-owned area.

Operations

A processing plant was built with an adjoining pit to the north. Two small mine operations were merged into the large mine permit in 2013 and are now part of the existing footprint of the TME LMO permit M/47/0089. The original mine plan submitted in 2006 was never fully developed. As a result, the original bond amount represents 192 acres, 22 of which are presently disturbed and include the three mine pits, the processing area, access roads, and a waste rock area to the south. The bond release requests that money be released for all but the remaining 22 acres.

Hole Plugging

Not Applicable

Reclamation

Not Applicable. No reclamation has been performed.

Mine Engineering

Not applicable

Hydrology

Not applicable. No drainages, hydrologic structures, or roads have been reclaimed.

Revegetation

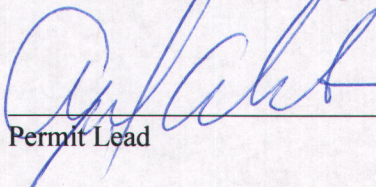
Not applicable. No revegetation has occurred.

Recommendation

Revised bond calculations were submitted by Ames Construction on May 30, 2014. In that submittal, it was determined that the required bond for all the current features and disturbance areas are represented at 22 acres in the amount of \$275,000.

The Division performed an inspection of this site on September 4, 2013 and confirmed that the footprint of the operation does match the existing information documented in the recalculated bond costs.

The Division recommends a partial release of in the amount of \$876,713.



Permit Lead

10-23-2014

Date

Encl. Aerial Map 2014
Surety Calculations. Appendix 5, LMO M/47/0089
Figure 1 TME AR Mine #1, LMO M/47/0089
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